

KEY ASSUMPTIONS

<u>Agencies/Programs</u>	<u>Assumptions</u>
K-12 Tuition Support	1% annual increase
Full Day Kindergarten	Fully funds grant at \$2,400 per student
Higher Education Operating	1% annual increase
Higher Education Repair & Rehabilitation	1/3 of R&R formula in addition to R&R funds appropriated in operating in FY12-13 budget
Student Financial Aid	Meets 21st Century Scholars and CVO obligations; Holds caps flat
Higher Education Fee Replacement	Fully funds existing debt service; Assumes no new debt service
Lease Appropriations	Fully funds debt service obligations
Capital	Maintains capital expenditures at FY12-13 appropriated levels
Pensions	Fully funds Annual Required Contributions (ARCs) for pension obligations
Other Post Employment Benefits (OPEB)	Fully funds Annual Required Contributions (ARCs) for OPEB obligations
Medicaid	Fully funds Medicaid forecast, including normal growth, woodwork effect, and sunseting cost savings initiatives
Hospital Assessment Fee	Continues at current levels
Quality Assessment Fee	Continues at current levels
Department of Correction (DOC)	Fully funds projected contractual increases
Department of Child Services (DCS)	Fully funds all DCS initiatives requested in FY14-15 biennium
Lottery	Assumes Lottery performance equals Bid Net Income (BNI)